



The Voice of Small Business

To: Honorable Members of the Michigan Great Lakes and Environment Committee
From: Amanda Radaz, Assistant State Director
Date: April 23, 2009
Re: HBs 4763-4769 – Chemical Over-Regulation Package

We are writing to inform you of NFIB's opposition to HBs 4763 - 4769 which would over-regulate the use of chemicals in children's products.

While we appreciate the motives behind this legislation, these bills are both overly burdensome, but they also give non-elected bureaucrats at the Departments of Community Health (DCH) and Environmental Quality (DEQ) wide latitude over many key decisions on compliance.

For instance, HB 4764 allows DCH to classify a chemical as a "chemical of concern" if there are only preliminary studies that suggest that the chemical may be harmful. In the "information age" there is almost always a study that can back up anyone's hypothesis of what is harmful. Mistakenly labeling a chemical as a concern without credentialed scientific backing could lead to unnecessary fear in the population and have costly consequences to companies doing business in Michigan.

In the same bill, the objects being classified of concern include children's products, household environment and "of specific relevance to the health of Michigan children as determined by DCH." With this kind of language, it seems DCH could potentially classify almost any object with a "chemical of high concern" as relevant to children.

Because of the recent concerns over children's products, the federal government has responded and is implementing its own regulatory and reporting requirements for children's products. This year, the Consumer Product Safety Commission issued new rules that require laboratory testing of the all children's toys to test for lead, certain phthalates and other toxic substances. In addition, the United States Congress is in the process of updating the Toxic Substance Control Act (TSCA). Section 8b of existing law (TSCA) requires the Environmental Protection Agency to gather and disseminate information about the chemical production use and adverse effects to human health and the environment.

Once again, Michigan would be creating a dual regulatory structure that would require manufacturers and distributors to comply with two sets of rules and regulations, one federal and one state. Michigan's business climate can not handle one more blow to its already dismal state.

Finally, with the current budget situation, Michigan can not afford new programs that will have substantial costs to the state budget. In Minnesota where they are debating similar legislation the legislature has earmarked \$500,000 as initial costs to the program with costs expected to increase. Proper chemical safety assessments could cost the state of Michigan millions of dollars to have the necessary scientists and toxicologists. Given these costs the state should defer regulation of chemicals to the Federal Government where they already have the staff, expertise, and resources.

We ask you to oppose these bills and not report them from committee.

Thank you for your support of small business.

National Federation of Independent Business – MICHIGAN
115 W. Allegan St., Suite 310 •Lansing, MI 48933•517-485-3409•Fax 517-485-2155•www.nfib.com